WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Rural Employment Generation Programme

3711. SHRI AMAR SINGH:
SHRI ABU ASIM AZMI:

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that Khadi and Village Industries Commission has launched a Rural Employment Generation Programme to provide employment to rural entrepreneurs;

(b) if so, the details thereof;

(c) the number of projects that have actually been financed during the last two years; and

(d) the amount of aid that has been given by the KVIC to them?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) and (b) The Government has been implementing the Rural Employment Generation Programme (REGP), through the Khadi and Village Industries Commission (KVIC) with effect from 01 April 1995 to create more employment opportunities in village and small towns with population upto 20,000 in the country. Under this programme, entrepreneurs can establish village industries, by availing of margin money assistance from the KVIC and loans from public sector scheduled commercial banks, selected regional rural banks and cooperative banks, etc., for projects with a maximum cost of Rs. 25 lakh. The permissible margin money assistance is as detailed in the table below:

Margin Money Assistance under REGP

Sl.No.	Category of beneficiary	Project cost	Margin money assistance
1.	General	Up to Rs. 10 lakh	25 per cent of project cost.
		Above Rs. 10 lakh And up to Rs. 25 Lakh.	Rs. 2.5 lakh plus 10 per cent of balance project Cost.
2.	SC/ST/OBC/Women/PC/ Ex-servicemen/NE Region/Hill areas	Up to Rs. 10 lakh	30 per cent of project cost.
		Above Rs. 10 lakh And up to Rs. 25 Lakh	Rs. 3 lakh plus 10 per cent of balance project cost.

Note: SC/ST-Scheduled Castes/Scheduled Tribes; OBC-Other Backward Classes; PC-Physically Challenged; NE-North Eastern

(c) The number of projects that have been actually financed during 2002-03 and 2003-04 are 21024 and 24747, respectively.

(d) The margin money assistance provided by the KVIC for setting up these industries during 2002-03 and 2003-04 are Rs. 193.71 crore and Rs. 265.74 crore, respectively.

Aurther Anderson's recommendations for KVIC

3712. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that Government have appointed Aurther Anderson with a view to revamp the organizational and functional restructuring of KVIC;

(b) if so, whether he was submitted the report;

(c) the recommendations made by Aurther Anderson;

(d) what action his Ministry have taken on the recommendations made by Aurther Anderson;

(e) whether it is also a fact that Government constituted an expert committee for revamping of KVIC; and

(f) if so, the reasons for appointing this Committee when there was already some one looking into the entire gamut of issues of KVIC?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) and (b) Yes, Sir.

(c) and (d) M/s. Aurther Anderson India Pvt. Limited (AA), a consultancy firm was engaged by the Government to conduct a study on the organizational and functional restructuring of Khadi and Village Industries Commission (KVIC). AA submitted its report on 31 October 2000. The major recommendations made by AA and action taken thereon by the Government/KVIC are summarized in statement (*See* below).

(e) Yes, Sir.